

**COMMONWEALTH OF KENTUCKY
EXECUTIVE BRANCH ETHICS COMMISSION
CASE NO. 14-023**

**IN RE: MARLA J. HADLEY
ALLEGED VIOLATION OF KRS CHAPTER 11A**

**INITIATING ORDER
Initiation of Administrative Proceeding
And Formal Complaint**

The Executive Branch Ethics Commission (the “Commission”), upon its own motion, initiated a preliminary investigation of Marla J. Hadley (the “Respondent” or “Hadley”), pursuant to KRS 11A.080(1), on November 15, 2013.

At all relevant times the Respondent was a “public servant” as defined in KRS 11A.010(9), and thus subject to the jurisdiction of the Commission.

The Commission initiated the preliminary investigation to determine whether it has sufficient probable cause to believe the Respondent violated provisions of KRS Chapter 11A, Executive Branch Code of Ethics (also referred to herein as the “Ethics Code”).

The Commission focused its investigation upon the Respondent’s possible violation of the Ethics Code by using her influence in matters that involved a substantial conflict between her personal or private interest and her duties in the public interest; influencing a public agency in derogation of the state at large; using her official position to give herself or a family member a financial gain; using her official position to secure or create privileges, exemptions, advantages, or treatment for herself or others in derogation of the public interest; failing to avoid all conduct which might in any way lead members of the general public to conclude that she was using her official position to further her professional or private interest; in order to further her own economic interests,

or those of any other person, knowingly disclosing or using confidential information acquired in the course of her official duties; knowingly receiving, directly or indirectly, interest or profit arising from the use or loan of public funds in her hands or to be raised through any state agency; and knowingly accepting compensation, other than that provided by law for public servants, for performance of her official duties without the prior approval of the Commission.

The Commission notified the Respondent of the preliminary investigation by letter dated November 20, 2013. During the course of the investigation, the Commission found probable cause to believe that violations of KRS Chapter 11A had occurred and voted on September 15, 2014, to initiate an administrative proceeding, pursuant to KRS 11A.080(4)(b) and KRS Chapter 13B, to determine whether the Respondent violated the Ethics Code as set forth in the Allegations of Violations, attached hereto and incorporated fully herein as Appendix A to this Initiating Order.

IT IS THEREFORE ORDERED that:

1. This Initiating Order and Appendix shall be served on the Respondent pursuant to KRS 13B.050(2) by certified mail, return receipt requested, to the last known address of the Respondent.
2. The Respondent shall file her answer to this Initiating Order within twenty (20) days from the date of service, verifying the truth and accuracy of any answer submitted.
3. The Respondent shall appear at a hearing to be scheduled by subsequent order and be prepared to defend against the Commission's allegations that she committed the Ethics Code violations set forth in the Allegation of Violations, attached hereto and

incorporated fully herein as Appendix A to this Initiating Order.

4. The Commission will request the designation of a Hearing Officer by the Administrative Hearings Branch of the Office of the Attorney General, 1024 Capital Center Drive, Suite 200, Frankfort, Kentucky 40601-8204.

5. The Commission is represented by Kathryn H. Gabhart, General Counsel, and John R. Steffen, Executive Director and co-Counsel. They may be contacted through the Commission's office at (502) 564-7954.

6. All original material shall be submitted to the Executive Branch Ethics Commission, #3 Fountain Place, Frankfort, Kentucky 40601. A copy of all materials shall be served on the designated Hearing Officer.

7. The Respondent has the right to legal counsel during this proceeding. If the Respondent retains legal counsel, that person shall file an appearance with the Commission, and thereafter all correspondence from the Commission to the Respondent shall be mailed or delivered to the Respondent's attorney.

8. The Respondent has the right to examine upon request, at least five (5) days prior to the hearing, a list of witnesses the Commission expects to call at the hearing, any evidence that will be used at the hearing and any exculpatory information in the Commission's possession.

9. The Respondent has the right to subpoena witnesses on her own behalf. If the Respondent subpoenas witnesses, she shall pay for all costs associated with the subpoenas' issuance, including any applicable witness fees.

10. If the Respondent fails to attend or participate as required at any stage of the administrative hearing process without good cause shown, she may be held in default

pursuant to KRS 13B.050(3)(h).

11. The Respondent has a right to appeal any final Commission order to the Franklin Circuit Court within thirty (30) days of service.

12. This proceeding is subject to KRS Chapter 11A, the Commission's regulations, the provisions of KRS Chapter 13B, and any Order issued by the Commission or its hearing officer issued during this administrative proceeding.

So ordered this 15th day of September 2014.

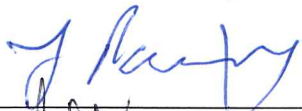
EXECUTIVE BRANCH ETHICS COMMISSION:




W. David Denton, Chair



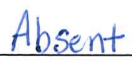
William G. Francis, Vice-Chair



Lewis G. Paisley, Member



Richard L. Masters, Member



Martin E. Johnstone, Member

**APPENDIX A
CASE NO. 14-023
INITIATING ORDER**

ALLEGATION OF VIOLATIONS

The Respondent, Marla J. Hadley, was at all relevant times an employee of the Commonwealth of Kentucky, serving in the Department for Aging and Independent Living, Salt River Guardianship Section, Cabinet for Health and Family Resources. As such, the Respondent was subject to the jurisdiction of the Commission. KRS 11A.010(9)(h).

During the course of its preliminary investigation, the Commission found probable cause to believe that Marla J. Hadley committed the following violations:

COUNT I

Marla J. Hadley, during her course of employment as a Social Service Clinician II, Department for Aging and Independent Living, Salt River Guardianship Section, Cabinet for Health and Family Resources, using her influence in matters that involved a substantial conflict between her personal or private interest and her duties in the public interest; influencing a public agency in derogation of the state at large; using her official position to give herself or a family member a financial gain; using her official position to secure or create privileges, exemptions, advantages, or treatment for herself or others in derogation of the public interest; failing to avoid all conduct which might in any way lead members of the general public to conclude that she was using her official position to further her professional or private interest; in order to further her own economic interests, or those of any other person, knowingly disclosing or using confidential information acquired in the course of her official duties; knowingly receiving, directly or indirectly, interest or profit arising from the use or loan of public funds in her hands or to be raised through any state agency; and knowingly accepting compensation, other than that

provided by law for public servants, for performance of her official duties without the prior approval of the Commission.

Specifically, at some time between August 2013 and November 2013, Hadley used her position to gain access to funds belonging to Victim A¹, who was an adult under her supervision as part of her duties for the Department. Hadley misappropriated those funds for her own personal use and enjoyment and the use and enjoyment of others without the knowledge or approval of her Department, Victim A, or his family.

These facts constitute violations of KRS 11A.020(1)(a) and (b).

KRS 11A.020(1)(a), (b), (c), and (b) provide:

- (1) No public servant, by himself or through others, shall knowingly:
 - (a) Use or attempt to use his influence in any matter which involves a substantial conflict between his personal or private interest and his duties in the public interest;
 - (b) Use or attempt to use any means to influence a public agency in derogation of the state at large;
 - (c) Use his official position or office to obtain financial gain for himself or any members of the public servant's family;or
 - (d) Use or attempt to use his official position to secure or create privileges, exemptions, advantages, or treatment for himself or others in derogation of the public interest at large.

KRS 11A.020(2) provides:

- (2) If a public servant appears before a state agency, he shall avoid all conduct which might in any way lead members of the general public to conclude that he is using his official position to further his professional or private interest.

KRS 11A.040(1),(2), and (5) provide:

¹ All individuals who were alleged victims of the Respondent will be referred to as Victim A, B, C, and so forth, for the purposes of this Initiating Order to preserve the victim's privacy until otherwise directed to identify these individuals by an order of the Hearing Officer.

(1) A public servant, in order to further his own economic interests, or those of any other person, shall not knowingly disclose or use confidential information acquired in the course of his official duties.

(2) A public servant shall not knowingly receive, directly or indirectly, any interest or profit arising from the use or loan of public funds in his hands or to be raised through any state agency.

(5) A public servant shall not knowingly accept compensation, other than that provided by law for public servants, for performance of his official duties without the prior approval of the commission.

COUNT II

Marla J. Hadley, during her course of employment as a Social Service Clinician II, Department for Aging and Independent Living, Salt River Guardianship Section, Cabinet for Health and Family Resources, using her influence in matters that involved a substantial conflict between her personal or private interest and her duties in the public interest; influencing a public agency in derogation of the state at large; using her official position to give herself or a family member a financial gain; using her official position to secure or create privileges, exemptions, advantages, or treatment for herself or others in derogation of the public interest; failing to avoid all conduct which might in any way lead members of the general public to conclude that she was using her official position to further her professional or private interest; in order to further her own economic interests, or those of any other person, knowingly disclosing or using confidential information acquired in the course of her official duties; knowingly receiving, directly or indirectly, interest or profit arising from the use or loan of public funds in her hands or to be raised through any state agency; and knowingly accepting compensation, other than that provided by law for public servants, for performance of her official duties without the prior approval of the Commission.

Specifically, at some time between August 2013 and November 2013, Hadley used her position to gain access to funds belonging to Victim B, who was an adult under her supervision

as part of her duties for the Department. Hadley misappropriated those funds for her own personal use and enjoyment and the use and enjoyment of others without the knowledge or approval of her Department, Victim B, or his family.

These facts constitute violations of KRS 11A.020(1)(a) and (b).

KRS 11A.020(1)(a), (b), (c), and (b) provide:

- (1) No public servant, by himself or through others, shall knowingly:
 - (a) Use or attempt to use his influence in any matter which involves a substantial conflict between his personal or private interest and his duties in the public interest;
 - (b) Use or attempt to use any means to influence a public agency in derogation of the state at large;
 - (c) Use his official position or office to obtain financial gain for himself or any members of the public servant's family;or
 - (d) Use or attempt to use his official position to secure or create privileges, exemptions, advantages, or treatment for himself or others in derogation of the public interest at large.

KRS 11A.020(2) provides:

- (2) If a public servant appears before a state agency, he shall avoid all conduct which might in any way lead members of the general public to conclude that he is using his official position to further his professional or private interest.

KRS 11A.040(1),(2), and (5) provide:

- (1) A public servant, in order to further his own economic interests, or those of any other person, shall not knowingly disclose or use confidential information acquired in the course of his official duties.
- (2) A public servant shall not knowingly receive, directly or indirectly, any interest or profit arising from the use or loan of public funds in his hands or to be raised through any state agency.

- (5) A public servant shall not knowingly accept compensation, other than that provided by law for public servants, for performance of his official duties without the prior approval of the commission.

COUNT III

Marla J. Hadley, during her course of employment as a Social Service Clinician II, Department for Aging and Independent Living, Salt River Guardianship Section, Cabinet for Health and Family Resources, using her influence in matters that involved a substantial conflict between her personal or private interest and her duties in the public interest; influencing a public agency in derogation of the state at large; using her official position to give herself or a family member a financial gain; using her official position to secure or create privileges, exemptions, advantages, or treatment for herself or others in derogation of the public interest; failing to avoid all conduct which might in any way lead members of the general public to conclude that she was using her official position to further her professional or private interest; in order to further her own economic interests, or those of any other person, knowingly disclosing or using confidential information acquired in the course of her official duties; knowingly receiving, directly or indirectly, interest or profit arising from the use or loan of public funds in her hands or to be raised through any state agency; and knowingly accepting compensation, other than that provided by law for public servants, for performance of her official duties without the prior approval of the Commission.

Specifically, at some time between August 2013 and November 2013, Hadley used her position to gain access to funds belonging to Victim C, who was an adult under her supervision as part of her duties for the Department. Hadley misappropriated those funds for her own personal use and enjoyment and the use and enjoyment of others without the knowledge or approval of her Department, Victim C, or her family.

These facts constitute violations of KRS 11A.020(1)(a) and (b).

KRS 11A.020(1)(a), (b), (c), and (b) provide:

(1) No public servant, by himself or through others, shall knowingly:

- (a) Use or attempt to use his influence in any matter which involves a substantial conflict between his personal or private interest and his duties in the public interest;
- (b) Use or attempt to use any means to influence a public agency in derogation of the state at large;
- (c) Use his official position or office to obtain financial gain for himself or any members of the public servant's family; or
- (d) Use or attempt to use his official position to secure or create privileges, exemptions, advantages, or treatment for himself or others in derogation of the public interest at large.

KRS 11A.020(2) provides:

- (2) If a public servant appears before a state agency, he shall avoid all conduct which might in any way lead members of the general public to conclude that he is using his official position to further his professional or private interest.

KRS 11A.040(1),(2), and (5) provide:

- (1) A public servant, in order to further his own economic interests, or those of any other person, shall not knowingly disclose or use confidential information acquired in the course of his official duties.
- (2) A public servant shall not knowingly receive, directly or indirectly, any interest or profit arising from the use or loan of public funds in his hands or to be raised through any state agency.

- (5) A public servant shall not knowingly accept compensation, other than that provided by law for public servants, for performance of his official duties without the prior approval of the commission.

COUNT IV

Marla J. Hadley, during her course of employment as a Social Service Clinician II, Department for Aging and Independent Living, Salt River Guardianship Section, Cabinet for Health and Family Resources, using her influence in matters that involved a substantial conflict between her personal or private interest and her duties in the public interest; influencing a public agency in derogation of the state at large; using her official position to give herself or a family member a financial gain; using her official position to secure or create privileges, exemptions,

advantages, or treatment for herself or others in derogation of the public interest; failing to avoid all conduct which might in any way lead members of the general public to conclude that she was using her official position to further her professional or private interest; in order to further her own economic interests, or those of any other person, knowingly disclosing or using confidential information acquired in the course of her official duties; knowingly receiving, directly or indirectly, interest or profit arising from the use or loan of public funds in her hands or to be raised through any state agency; and knowingly accepting compensation, other than that provided by law for public servants, for performance of her official duties without the prior approval of the Commission.

Specifically, at some time between August 2013 and November 2013, Hadley used her position to gain access to funds belonging to Victim D, who was an adult under her supervision as part of her duties for the Department. Hadley misappropriated those funds for her own personal use and enjoyment and the use and enjoyment of others without the knowledge or approval of her Department, Victim D, or her family.

These facts constitute violations of KRS 11A.020(1)(a) and (b).

KRS 11A.020(1)(a), (b), (c), and (b) provide:

- (1) No public servant, by himself or through others, shall knowingly:
 - (a) Use or attempt to use his influence in any matter which involves a substantial conflict between his personal or private interest and his duties in the public interest;
 - (b) Use or attempt to use any means to influence a public agency in derogation of the state at large;
 - (c) Use his official position or office to obtain financial gain for himself or any members of the public servant's family;
or
 - (d) Use or attempt to use his official position to secure or create privileges, exemptions, advantages, or treatment for himself or others in derogation of the public interest at large.

KRS 11A.020(2) provides:

- (2) If a public servant appears before a state agency, he shall avoid all conduct which might in any way lead members of the general public to conclude that he is using his official position to further his professional or private interest.

KRS 11A.040(1),(2), and (5) provide:

- (1) A public servant, in order to further his own economic interests, or those of any other person, shall not knowingly disclose or use confidential information acquired in the course of his official duties.
- (2) A public servant shall not knowingly receive, directly or indirectly, any interest or profit arising from the use or loan of public funds in his hands or to be raised through any state agency.

- (5) A public servant shall not knowingly accept compensation, other than that provided by law for public servants, for performance of his official duties without the prior approval of the commission.

(End of document)